

GEK TERNA
GROUP OF COMPANIES

FY 2013 Results
GEK TERNA

Highlights

Sales	Ch%	EBITDA adj*	Ch%	PBT	Ch%	Net Income	Ch%
729.8	+8.3	148.2	+29.8	-71.6	n/a	-84.8	n/a
*adjusted for non cash items							

Developments



Cash collections from motorways' restart and York Capital's participation results to c140m lower net debt – Next quarters more cash collections and change of consolidation method in Concessions/ Thermal activity will signal significantly lower debt levels



Significant non cash items in construction and Real Estate (c65m) burden net profit



Total installed, under construction or ready to build RES capacity: 838 MW



Construction backlog boosted by securing c1 billion extra share of construction in the motorways – currently stands at c4 billion



Restart of the magnesite mining activity – promising outlook

Segments – Results

million €	SALES			EBITDA			EBIT			NET INCOME bm		
	FY 13	FY 12	Ch%	FY 13	FY 12	Ch%	FY 13	FY 12	Ch%	FY 13	FY 12	Ch%
Segments												
Construction	491.2	444.9	10.4%	24.8	33.5	-26.0%	4.8	8.1	-40.7%	-61.9	-8.3	645.8%
Renewables	105.8	79.6	32.9%	70.7	50.6	39.7%	36.6	31.9	14.7%	6.6	13.2	-50.0%
Thermal Energy	105.1	101.2	3.9%	21.3	22.6	-5.8%	13.9	11.4	21.9%	10.5	2.4	337.5%
Real Estate	2.9	2.7	7.4%	-1	-0.9	11.1%	-12.6	-32.9	-61.7%	-44.5	-37.7	18.0%
Industrial	0.6	0.9	-33.3%	-1.6	-1	60.0%	-2.6	-2.4	8.3%	-4	-3.1	29.0%
Concessions	22.9	23.9	-4.2%	35.4	12	195.0%	29.8	0.7	4157.1%	8.5	-6	-241.7%
Holding	1.3	20.5	-93.7%	-1.4	-2.7	-48.1%	-1,5	-5.1	-70.6%	-2.9	-7.6	-61.8%
Total	729.8	673.6	8.3%	148.2	114.1	29.9%	68.4	11.7	484.0%	-87.8	-47.2	86.0%

n/a = non applicable

Concessions

Motorway concessions fully restarted

c85 m equity already injected and c100 m more to be injected within the coming periods

Construction

Backlog boosted by new orders (undertaking 100% of the motorways' construction) - currently at the record high c3.9 billion

Construction expected to generate strong cash flows and profitability

Thermal Energy

Thermal Energy division
generated 21.2 million EBITDA
in FY 2013

25% of HERON 2 sold to Qatar Petroleum for a c58 m USD
cash consideration

GEK TERNA now owns 25% in HERON 2 (435 MW) and 50%
in HERON 1 – The cash from the sale was collected in Q1 14

Renewables

Installed capacity increases – 544 MW currently installed

New installations are expected till end H1 14 – c100 MW

Real Estate

Low leverage – 189 million gross value of assets – 78 million of Net Financial Debt

c36m devaluations in 2014

Strategy

**New investments are focusing in Renewable Energy -
1.000 MW -in total- installed in the coming years**

**Construction cash flow will generate enough equity to be injected in the
motorway concessions**

**Investment in Magnesite mine will support growth – very promising
activity – reserves enough for 50 years of exploitation**

Key consolidated BS items – Net Bank Debt

NET DEBT	FY 2013	9M 2013
Construction	96.8	170.4
Renewables	245.4	290.6
Thermal	28.5	51.8
Real Estate	78.6	80.8
Industrial	8.1	4.5
Concessions	135.4	95.9
Holding	-10.5	27.7
Total	582.5	722
<p>Net Debt decreased by c140 million in Q4 2013 due to cash collections from motorways and capital injections from York capital – more decrease to be expected in Q1 2014</p>		

Key consolidated CF items

€ million	FY 2013	FY 2012
Operating Cash Flow (before WC changes)	155.9	111
Operating cash flow aided by Construction and Energy Operations		

€ million	FY 2013	FY 2012
CAPEX	83.4	250.2
CAPEX is currently low but expected to accelerate in 2014 mostly due to Renewables' and Concessions' investments		

APPENDIX

Financial Data

Amounts in '000 euros

Balance Sheet

BALANCE SHEET – FY 2013			
	31.12.2013		31.12.2012
ASSETS			
Fixed assets	941,970		1,008,244
Real estate investments	73,599		81,589
Intangible assets	363,544		335,341
Participations and other long-term financial assets	85,278		96,404
Inventories	94,876		122,523
Trade receivables	302,964		315,183
Other current assets	450,428		487,395
Cash & cash equivalents	392,199		251,453
Non current assets available for sale			0
TOTAL ASSETS	2,704,858		2,698,132
EQUITY AND LIABILITIES			
Share capital	53,844		48,953
Other equity	385,403		340,156
Total shareholders' equity	439,247		389,109
Minority interests	195,195		187,972
Total Equity	634,442		577,081
Long term bank debt	683,267		487,076
Provisions/ Other L/T Liabilities	632,763		676,631
Short term bank debt	291,633		455,909
Other S/T Liabilities	462,754		501,435
Liabilities of non current assets available for sale	0		0
TOTAL LIABILITIES	2,070,416		2,121,051
TOTAL EQUITY AND LIABILITIES	2,704,858		2,698,132

Profit & Loss

PROFIT & LOSS FY 2013		
	1/1 - 31/12	1/1 - 31/12
	2013	2012
Continuing Operations		
Net Sales	729,838	673,334
Cost of goods sold	-646,090	-605,009
Gross Profit	83,748	68,325
Administration Expenses	-36,066	-37,019
RnD Expenses	-2,586	-2,585
Other Income/expenses	-49,260	-16,108
Operating results	-4,164	12,613
Net Financial Income/Expenses	-67,515	-55,701
Pre tax profit	-71,679	-43,088
Taxes	-16,160	-4,075
Net Profit from continuing operations	-87,839	-47,163
Other income recognized directly in Equity from:		
Profit /Loss from the evaluation of financial assets available for sale	391	637
Loss from the part of the profit/losses of the associates	0	-733
Profit/Loss from evaluation of cash flow hedging contracts	119,204	-40,784
Profit/Loss from Foreign exchange differences from foreign operations	570	-335
Profit from valuation of hedging contracts in foreign investments	361	0
Expenses of share capital increase	-1,307	-92
Tax that corresponds to the above amounts	-21,181	8,054
Actuarial revenues from programs of employee's benefits	456	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	98,494	-33,253
Net results attributed to:		
Shareholders of the parent from continued activities	-89,454	-52,592
Minority interest from continued activities	1,615	5,429
Total income attributed to:		
Shareholders of the parent from continued activities	8,065	-82,397
Minority interest from continued activities	2,590	1,981
Basic Earnings per share (in Euro)	-1,0532	-0,6235
Dilluted Earnings per share (in Euro)	-1,0452	-0,6235
From continued activities attributed to shareholders of the parent		
Average weighted number of shares	84,939,839	84,408,190

CASH FLOW

CASH FLOW STATEMENT – FY 2013		
	1/1-31/12/2013	1/1-31/12/2012
Operating activities		
Profit before tax	-71,679	-43,088
Plus/less adjustments for:		
Depreciation	68,359	62,998
Provisions	4,094	9,732
Interest income and related income	-3,011	-7,387
Interest expenses and related expenses	69,591	61,137
Amortization of grants	-8,878	-4,892
Other adjustments	97,459	32,517
Operating profit before changes in working capital	155,934	111,017
Plus/Less adjustments for working capital account movements or movements related to operating activities:		
Decrease / (increase) in inventories	2,195	-1,325
Decrease / (increase) in receivables	-45,754	-49,253
(Decrease) / increase in liabilities (other than to banks)	145,597	152,753
(Less):		
Taxes paid	-13,994	-14,849
Inflows/outflows of non continuing operating activities	0	0
Total inflows / (outflows) from operating activities (a)	243,9779	198,343
Investing activities		
Purchases of tangible, intangible assets & investment properties	-71,337	-248,554
Interest received	1,668	7,249
(Purchases)/sales of participations and securities	-25,774	0
Other adjustments	35,889	0
Inflows / outflows of non continuing investing activities	0	0
Total inflows / (outflows) from investing activities (b)	-59,554	-241,305
Financing activities		
Share capital's refund of the subsidiaries to the shareholders	37,694	-2,457
Purchases of treasury shares	-602	-2,130
Net change in short-term loans	-2,009	-44,132
Net change in long-term loans	17,977	44,844
Leasing payments	-10,106	-12,448
Interest and related expenses paid	-63,051	-65,136
Dividends paid	0	-3,300
Other adjustments	-22,954	52,494
Total inflows / (outflows) from financing activities (c)	-43,051	-32,265
Effect of FX differences on cash equivalents (d)	-626	-734
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c) + (d)	140,746	-75,961
Cash and cash equivalents at the beginning of the period	251,453	327,414
Cash and cash equivalents at the end of the period	392,199	241,453